-drifted to New England, wliere prices were low and transactions were upon a metallic basis.[1]

It needed but a breath to overthrow credit in the South and West, and the motive came with the capture of Washington on August 24, 1814. The banks of Philadelphia .announced their suspension on August 3ist, and the banks of New York followed on the next day, and did not resume until after the creation of the second Bank of the United -States in 1817. The country was stripped of specie, notes were issued for as small an amount as one cent, and many municipalities put out notes for a few cents, redeemable in bank-notes and receivable for taxes.[2] The period following the war was one of prostration in the United States as well as in Great Britain. The United States were for a short time importers and found the British exporters ^eager to sell because of the excessive stocks they had -accumulated in anticipation of the European peace. But importations fell off as the American people discovered the real poverty with which they had come out of the war. The month of August, 1819, found 20,000 persons seeking employment in Philadelphia, and a similar condition of affairs in the other great cities of the North.[3]

The economic disturbances in England were chiefly monetary in 1817 and 1818, but were intensified by scarcity and the high prices of cereals. The monetary difficulties were •due to the steady withdrawal of gold for foreign coinages •and in the form of subscriptions to Prussian, Austrian, and French loans. The sum of 125,000,000 francs in gold was -coined at the Paris mint, of which three-fourths was esti-mated to have been drawn from England. * France, in the meantime, was paying the penalty of defeat in the field. Commercial affairs were brought nearly to a standstill by the entrance of the Allied armies into Paris in 1814, and -they suffered another period of enforced liquidation after

[1] *Vide* p. 363.
[2] McMaster, IV., 297.
[3] Simmer, *History of American*
Currency| **79.**
[4] Jttglar, 327.